



State of California

# Employment Training Panel

CASE STUDY

*Arnold Schwarzenegger, Governor*

## Unisys Corporation

Unisys Corporation, formed in 1986 by the merger of Sperry and Burroughs, is headquartered in Blue Bell, Pennsylvania, and employs 40,000 people worldwide. The company manufactures a wide variety of computer hardware and other electronic equipment for the information systems industry. Unisys Corporation's Supply Chain Operations (SCO), located in Rancho Bernardo, manufactures high performance servers. The company employs 1,600 in California, with 575 at the Rancho Bernardo site that conducted the training.

At the time of the ETP contract, Unisys-Rancho Bernardo was in the process of changing its entire manufacturing process from a traditional assembly-line process to a lean manufacturing production model. In the traditional assembly-line process, employees work on only one part of a product and pass the work on to another line worker. In Unisys' lean manufacturing production model, workers work in "work cells" or teams, with the team being responsible for every aspect of the production process for the products they create. This change was precipitated by two factors: the electronic industry's on-going pressure to produce more efficiently at higher yields, and the constant demands to bring new products to market faster. This change affected employees throughout the Rancho Bernardo facility, from administrative staff to assemblers, material handlers to engineers.

The manufacturing floor was being re-configured into work cells not only to support the existing product lines, but also to support a brand new product. The re-configuration demanded that all direct manufacturing and support personnel be divided into three teams to support each product. The restructuring also required the teams to undergo cross training and training in advanced skills. Specifically, Unisys wanted to increase area 5S scores (lean workplace organization), decrease process cycle times through 'lean value stream mapping' and decrease workmanship errors on new products. The company was also looking to increase participation on continuous improvement teams.

Unisys trained 200 workers in continuous improvement skills, which included lean manufacturing techniques (procedure review/writing, material flow & process analysis), advanced team dynamics (leadership & facilitation), decision making skills, cycle time reduction, advanced communication skills, Kanban implementation, and new product specification/flow. Most of the site staff was included in the training: assemblers, engineers, technicians, material handlers, and operators, with Unisys earning \$163,475 in ETP reimbursements.

Company representatives reported that regular contact with ETP staff was crucial to their success. The ongoing support and guidance helped them to stay on track and maintain forward movement through completion of the contract.

***"For Unisys SCO-RB, involvement with ETP was a positive experience. While the reimbursements certainly helped, the real pay-off was the motivation provided by participating in the process, which drove us toward becoming what we need to be: a high performance workplace."***

**Bruce Heinemann, Director of ClearPath Operations  
Unisys Corporation**

For information regarding the ETP program, call ETP's Economic Development Unit at 916/327-5640 or e-mail [edu@etp.ca.gov](mailto:edu@etp.ca.gov)